

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2013

Legislative Fiscal Note

BILL NUMBER: House Bill 193 (Second Edition)

SHORT TITLE: Expand Uses for Meck Ct/Charlotte Local Taxes.

SPONSOR(S): Representatives Earle, Carney, Samuelson, and W. Brawley

<b>FISCAL IMPACT</b>					
(\$ in millions)					
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> No Estimate Available					
	<b>FY 2013-14</b>	<b>FY 2014-15</b>	<b>FY 2015-16</b>	<b>FY 2016-17</b>	<b>FY 2017-18</b>
<b>Local Impact</b>					
Revenues:					
Expenditures:					
<b>NET LOCAL IMPACT</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>
<b>PRINCIPAL DEPARTMENT(S) &amp; PROGRAM(S) AFFECTED:</b> City of Charlotte, Mecklenburg County					
<b>EFFECTIVE DATE</b> This act is effective when it becomes law.					
<b>TECHNICAL CONSIDERATIONS:</b> None					

**BILL SUMMARY:**

House Bill 193 (Second Edition) amends Section 9(a) of Part IV of SL 1983-908, as amended, to expand the uses of the Mecklenburg County occupancy tax and meals tax revenue. It provides that a 3% portion of the occupancy tax and the 1% meals tax is distributed to Charlotte for facilities, eliminating the restriction that the collected tax was to be used solely for Convention Center facilities. The bill adds new subsections (d) and (e) to specify additional uses for the collected tax include (1) paying costs for constructing, renovating, and maintaining public places that can seat 60,000 or more and are used for professional sporting events and (2) to pay costs of constructing, renovating, and maintaining amateur sports facilities, including ancillary, associated facilities located in the City of Charlotte.

**ASSUMPTIONS AND METHODOLOGY:**

House Bill 193 (Second Edition) would have no fiscal impact, but would allow additional uses for a 3% portion of the occupancy tax already being collected and the 1% meals tax. The total revenue

that could be redirected for qualified uses under the bill is approximately \$31 million annually. Approximately \$11 million of this amount is generated by the occupancy tax, while the remainder (\$20 million) is generated by the meals tax.

**SOURCES OF DATA:** NC Dept. of Revenue, *Statistical Abstract of NC Taxes*

**TECHNICAL CONSIDERATIONS:** None

**FISCAL RESEARCH DIVISION:** (919) 733-4910

**PREPARED BY:** Brian Slivka

**APPROVED BY:**

Mark Trogdon, Director  
**Fiscal Research Division**

**DATE:** April 9, 2013



**Signed Copy Located in the NCGA Principal Clerk's Offices**